NOTES.

THE sudden and dramatic death of Henry George on the eve of the mayoralty election in New York, in which he struck fire by his characteristic and passionate denunciation of "boss" rule, brings to a close a remarkable economic career. An unknown compositor, without wealth, by virtue of a taking style, a brilliant imagination, and persistent earnestness in one special field, made his name known not merely to his own country, but to the whole world, as a household word. He caught the unrest of the time and gave it an economic justification, which, whether correct or not, made a conquest of great numbers of men. By giving, in an illuminating way, a specific cause of poverty, he satisfied many minds not capable of reasoning out difficult economic problems. Whether or not his conclusions were based upon sufficiently sound processes may be left to a more careful study of the period in which he lived, and of the quality of his contributions to political economy.

THE MONETARY COMMISSION.

THE refusal of Congress to accept the recommendation of President McKinley concerning the appointment of a suitable Monetary Commission owing to the preponderance of free silver influences in the Senate, has led to a result which, although perhaps unlooked for, was only the outcome of the existing situation. It is a commonplace to say that it is an American characteristic that the people initiate measures which in other countries are left wholly to the government, or to those in positions of public authority. The appointment of the Monetary Commission by the executive committee of the Indianapolis Monetary Convention is a striking example of this American tendency. It scarcely needs to be recalled that the Indianapolis Convention at its meeting of last winter decided to arrange for the appointment of a Commission of competent men which should fully represent the business interests of the country, in case Congress should fail to provide for the investigation of the monetary question. As most of the readers

of this JOURNAL probably know, this Commission was duly appointed[1] and began its sessions in the latter part of September. Soon after the December number is in the hands of its readers a preliminary report will probably be rendered.

There can be little doubt as to what the main features of this report must be. The present condition of the currency is familiar, and the ultimate remedies to be applied cannot for a moment be subject to a doubt in the mind of any unprejudiced thinker, no matter what his ideas upon purely theoretical questions may be. The details of the mechanism by which these remedies shall be applied are, however, less certain, But these are only details and can be safely left to the judgment of a body of experienced and unprejudiced men. It is, therefore, beyond question that the report will meet the views of all those who wish to continue the prosecution of trade and industry, without a jar, upon its present lines. The retirement of the greenbacks by some mechanism or other, is, it goes without saying, a fundamental necessity and should be recognized as such by the Commission. Some means of dealing with the silver dollar, of arranging for its redemption in gold, or at least recognizing the necessity of such redemption, must also be provided. The third strand in the report of the Commission must necessarily be some provisions for the establishment of a system of banking, which shall permit both elasticity in the issue of notes and in the distribution of banking facilities, whether this latter be by the establishment of branches or of small banks, or both. There is probably no student of monetary affairs who does not recognize that the demand for change in the monetary system points to the existence of real needs. In the crude popular mind, misled by demagogical agitators, a genuine economic need has been translated into terms of insufficient currency, and if not met by proper remedies may result in serious danger to the whole fabric of credit and commerce. What this need is cannot for a moment be in doubt. The inflexibility of the present system of banking, the impossibility of now regulating credit-currency in accordance with commercial demands, the lack of adequate banking facilities and of proper distribution of those facilities have

[1] Consisting of the following members: George F. Edmunds, Vermont (chairman); George E. Leighton, Missouri (vice chairman); T. G. Bush, Alabama; W. B. Dean, Minnesota; Charles S. Fairchild, New York; Stuyvesant Fish, New York; J. W. Fries, North Carolina; Louis A. Garnett, California; J. Laurence Laughlin, Illinois; C. Stuart Patterson, Pennsylvania; Robert S. Taylor, Indiana. L. Carroll Root and H. Parker Willis. Assistants to the Commission. Jules Guthridge, General Secretary.

undoubtedly resulted in a contraction, not of currency, but of credit opportunities in the South and West, which have seriously retarded and hampered the development of those regions. It is to meet needs so genuine and widespread that the Monetary Commission will recommend a plan for currency and banking reform.

Whatever the outlook for the adoption of any plan of currency reform by the present Congress may be, it will probably have nothing to do with the report of the Commission. The latter will merely aim to formulate a plan upon which all can unite, thus overcoming the weakness which results from a disunited application of forces which are essentially united upon questions of principle. In its methods, the Commission has proceeded, so far as known, with the utmost impartiality and scientific care. It has asked for and received an immense number of expressions of opinion, both general and in reply to specific questions, and it has carefully considered the mass of information thus accumulated. Every point has been discussed most anxiously. Whatever the precise recommendations may be, it cannot be doubted that they will represent the best current thought on the questions upon which they bear.

It remains in the hands of the public to determine what shall be the outcome of the labors of the Commission. H. P. W.

GOLD, LABOR, AND COMMODITIES AS STANDARDS OF VALUE.

In the campaign of a year ago two opposing views were urged regarding the fluctuations of our monetary standard. One party maintained that since the price of commodities has declined, gold must have appreciated in value, a certain quantity of it exchanging for a constantly increasing quantity of commodities; another class held that since wages have constantly advanced, gold has in fact depreciated, a given amount of it exchanging for a constantly lessening quantity of labor.

One is impressed with the fact that the premises in both cases are true, and if true why are not the deductions satisfactory? Commodities have fallen in value, and wages have advanced, but it is plain that gold cannot have appreciated and depreciated at the same time. Is there any way by which its appreciation relatively to commodities and its depreciation relatively to labor can be reconciled?